



COMMITTEE ON THE BUDGET
MAJORITY CAUCUS
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A CLEAR DIFFERENCE OF PRIORITIES

Two Views of Budgeting the American Taxpayer's Money

TALKING POINTS FOR THE PRESIDENT'S FY 2000 BUDGET

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Question: What weighs 12 pounds, is 2,800 pages long, and is filled with sweet sounding promises and good intentions?

Answer: President Clinton's FY 2000 budget. Instead of using this budget to address serious national concerns affecting millions of ordinary citizens now and in the future, the President takes a pass. His budget reflects a lame-duck approach and avoids the tough decisions until after he leaves office.

The Facts About Taxes And The Surplus

- ▶ **Washington Flush With Your Money:** Taxpayers will pay more than \$10 trillion in taxes to the Federal Government over the next 5 years, and more than \$22 trillion over the next 10 years.
- ▶ **Taxation at Record Levels:** Federal taxes as a share of the Nation's economic resources will remain above 20 percent of gross domestic product [GDP] throughout the period – a post-World War II high.
- ▶ **A Growing Surplus:** The Federal budget will show a surplus of more than \$800 billion over the next 5 years and more than \$2.4 trillion over the next 10 years.

Clinton's Budget: A Squandered Opportunity

- ▶ **Higher Taxes:** \$108 billion in new taxes and fees.
- ▶ **No Tax Relief:** No net tax reduction and no broad-based tax relief.
- ▶ **Higher Spending:** More than \$200 billion in new domestic spending over the next 5 years.
- ▶ **More Government:** Nearly 40 new mandatory programs and almost 80 new discretionary programs.
- ▶ **Cuts in Education:** Title VI block grants for special education cut by \$375 million.
- ▶ **Busted Spending Caps:** Violates the bipartisan agreement on spending levels of the Balanced Budget Act of 1997 with more than \$10 billion in phony offsets.

The Republican Approach: Four Principles to Secure America's Future

- ▶ **Saving Social Security for Three Generations.** Unlike the President's plan which avoids the tough decisions about long-term reform, Republicans believe Social Security should be strengthened for three generations.
- ▶ **Providing Serious Tax Relief.** Working families need relief from taxes that are too high and a tax code that is too complicated. Republicans have proposed across-the-board tax relief and relief from the marriage penalty.
- ▶ **Improving Education.** While President Clinton vetoes common sense reforms like education savings accounts, Republicans want to give power and money to local parents and local school teachers.
- ▶ **Strengthening Our National Defense.** Instead of cooking the books to show misleading increases in spending, Republicans are committed to ensuring America's military remains the absolute best in the world and that the men and women who serve are properly equipped and rewarded for their service.